



DEPARTMENT OF THE NAVY
NAVAL AIR SYSTEMS COMMAND
NAVAL AIR SYSTEMS COMMAND HEADQUARTERS
WASHINGTON, DC 20361 - 0001

IN REPLY REFER TO

NAVAIRINST 5310.16
AIR-710
8 Dec 89

NAVAIR INSTRUCTION 5310.16

From: Commander, Naval Air Systems Command

Subj: EFFICIENCY REVIEW PROGRAM

Ref: (a) DODINST 5010.37, Efficiency Review, Position Management, and Resource Requirements Determination of 17 Nov 87
(b) SECNAVINST 5010.1A, Efficiency Review, Position Management and Resource Requirements Determination -
(c) OPNAVINST 5310.14B, Efficiency Review Policy and Procedures
(d) OPNAVINST 5310.22A, Policy Concerning Navy Manpower Requirements
(e) Navy Shore Manpower Requirements Handbook (NOTAL)

1. Purpose. To provide guidance for conducting and implementating the Naval Air Systems Command (NAVAIR) efficiency review (ER) program.

2. Background

a. The Department of Defense, the Department of the Navy, and the Chief of Naval Operations, in references (a), (b) and (c) respectively, issued guidance which established that ER's will be done for each Navy shore activity at least once every 5 years, and that manpower requirements, manpower authorizations, and manpower budgets will be based on the most recently implemented ER.

b. ER, as a process improvement initiative, effectively reviews and assesses workload in terms of an activity's defined mission and duties; objectively reviews and determines equipment, processes, and skills necessary for an activity to efficiently and effectively discharge its missions and duties; determines quantity and quality of military, civilian, and contractor manpower requirements; and implements a most efficient organization (MEO) to improve an activity's ability to accomplish its assigned missions and duties.

c. The ER process is complementary to good management practices within the Navy and to the wide spectrum of Navy productivity improvement programs designed to achieve increases in efficiency. The MEO, as the product of an ER, reflects the results of all productivity improvement programs applicable at an activity (e.g., productivity enhancement capital investment, asset capitalization program, model installations program, etc.).



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3. Discussion

a. References (a) through (d) require manpower claimants to

(1) achieve 100 percent ER coverage of the shore population (military, civilian, contractor, etc.) by the end of fiscal year 1994;

(2) provide and ensure quality control of all ER products;

(3) implement the ER MEO as rapidly as practical;

(4) initiate reprogramming actions to support unfunded requirements;

and

(5) utilize most recent MEO results to support Program Objectives Memorandum issues and budget submits.

b. Functions reviewed or under review by a commercial activity (CA) study are not included in the ER study; however, the ER MEO will include all associated manpower requirements, including CA MEO's or positions/billets under CA study. The relationship of the functions under CA review with other functions within the activity should be considered during the ER.

4. Guidance

a. Major claimants have been allowed flexibility in their implementation of the ER program, so long as the basic requirements of references (a) through (d) are met. Several methodologies are available for conducting an ER study, which include, but are not limited to, manpower surveys, work measurement, engineering performance standards, staffing standards, manpower models and overhead budget management. To this end, those elements required to meet minimum command requirements for an ER package will include

(1) a forwarding letter for the ER report, which will include a statement of quality assurance by the commanding officer;

(2) a complete activity MEO;

(3) a summary impact statement (summary of findings);

(4) a summary of savings or additional requirements identified during the ER;

(5) an implementation plan for achieving the MEO;

(6) a study and analysis (the ER) which establishes the MEO;

(7) the performance work statement (PWS). The PWS may be written for an activity as a single entity or at the individual directorate or department level;

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(8) a statement of requirements identifying changes to the baseline organization;

(9) projected changes in the cost of operations at the activity when recommendations are implemented;

(10) a narrative justification (by appropriate grouping or billet sequence) for assignment of military essentiality codes to military billets; and

(11) the cost of conducting the ER study.

b. Associated military and civilian manpower change requests resulting from the ER study will be submitted as part of the total ER package.

c. As part of an ER study, anticipated new taskings and workload, to which MEO savings could be applied, may be identified and included as part of the total ER submission. Identification and definition of requirements for anticipated taskings and workload should be clear, concise, and include the originator of the tasking and workload requirements.

d. The Navy Shore Manpower Requirements Handbook (reference (e)), is a primary reference for providing assistance and guidelines, in addition to defining and providing examples of recognized techniques for the formulation of an activity ER.

5. Action

a. The Naval Air Systems Command Headquarters (NAVAIRHQ) is responsible for the following:

(1) The Corporate Management Directorate (AIR-71) will review activity ER submissions prior to final submission to the Chief of Naval Operations. This review process will be procedural in nature and ensure compliance with established procedures (i.e., inclusion of required elements. NAVAIRHQ (AIR-71) will also be responsible for ensuring command ER schedules are met.

(2) The NAVAIRHQ Primary Support Offices will review activity ER submissions for technical (workload) accuracy and adequacy. Results of this technical review will be provided to NAVAIRHQ (AIR-71) prior to final submission of the ER.

b. NAVAIR field activities will

(1) conduct and complete ER's utilizing existing inhouse resources, or contractor resources if required;

(2) adhere to NAVAIRHQ established ER schedules; and

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(3) ensure completed ER submissions are validated by the commanding officer, are well documented, and provide a clear and concise audit trail.



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Deputy Commander

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